

## MORTON UNIT SCHOOL DISTRICT 709

DECEMBER 8, 2015

Minutes of the Committee of the Whole Meeting of the Board of Education of Morton Unit School District 709 held December 8, 2015, at the Morton Education and Administration Center.

### COMMITTEE OF THE WHOLE MEETING –

President Michelle Bernier called the regular meeting to order at 5:30 p.m.

Members present: Mrs. Michelle Bernier, Mr. Clint Heinold, Mr. Shaun Bill,  
Dr. Shad Beaty, Mr. Tom Neeley, Mrs. Kelly Scarfe, Mr. Jeff Schmidgall

### Facilities and Financial Discussion –

Dr. Hall reviewed a Power Point presentation covering information for the March 2016 referendum. The timeline includes:

- March 2015: Jeff Keach contracted to produce Facilities Cost Analysis Study
- June 2, 2015: Cost Analysis Study Presented to Board of Education
- June-October: multiple meetings to discuss cost analysis and narrow down “urgent needs”
- September 22, 2015: two phase plan OK'd by BOE
- October 6, 2015: vote to start process to issue WC bonds for Phase 1
- November 6, 2015: petitions received for backdoor referendum
- November 17, 2015: objections to petitions received
- November 17, 2015: BOE reviewed four new financing options, unanimously chooses Option #4
- November 19, 2015: petitions and objections turned into Tazewell County Clerk's office
- November 23, 2015: Financing reworked, cannot issue new WC bonds per district's legal counsel
- November 30, 2015: Hearing by Tazewell County Electoral Committee regarding petitions and objections
- December 8, 2015: BOE votes on resolution to rescind original resolution passed on October 6, 2015 that started process of issuing WC bonds
- December 15, 2015: BOE will need to pass a resolution to place bond issue on the ballot on March 15, 2016
- January 7, 2016: filing with County Clerk's office

Work to be completed in the one-phase plan (no longer two phased):

- Lettie Brown: 1 classroom, 5000 sq. ft. gym, restrooms, storage
- Grundy: 2 classrooms, 7000 sq. ft. gym, restrooms, storage

- Lincoln: 3 classrooms, 7000 sq. ft. gym, restrooms storage
- Jefferson: new windows
- Morton Jr. High: remodeling of band area and other classrooms
- Morton High School: remodeling of band area, outdoor storage/maintenance building
- All six buildings will be improved or enlarged

Dr. Hall clarified that a full-size, 7,000 sq. ft. gym has a regulation basketball court, but a small area around the perimeter, not an area as large as the high school gym.

#### Financing:

- \$10.5 million bond issue on ballot
- \$1.5 million in working cash reserves
- TOTAL COST OF PROJECT: ~\$12 MILLION
  
- The \$10.5 million in bonds will be issued in two stages
- Bond issuances under \$10 million are considered “bank qualified” and taxpayers will be saved more money on interest and financing
- The two stages will likely looklike:
  - \$9.4 million for 7 years
  - \$1.1 million for 2 years
- ESTIMATED INCREASE IN TAX RATE IS: approximately .27 cents per \$100 of EAV

#### Qualified School Construction Bonds (QSCB's):

- Currently in the process of completing the application for QSCB's
- Board of Education will need to pass a resolution to apply for these bonds
- Application due on January 15, 2016
- The federal government is providing a subsidy that will pay for most if not all finance charges/interest for these bonds.
- Up to \$50 million per school district is available
- Potential savings to taxpayers could be over \$1 million in financing
- Districts are prioritized in the selection process

#### Other cost efficiencies:

- Reducing size of Lettie Brown Gym
- Combining Grundy playground project with MHS parking lot project
- Eliminating parking lot at Grundy for gymnasium (parking available at district office, Grundy and north of the pool)
- Two issuances of bonds (under \$10 million)
- TOTAL: approximately \$400,000-\$500,000

Dr. Hall reviewed a spreadsheet showing the district's existing and proposed debt service - \$10.5 million over 7 years and a breakdown of costs of the projects.

Mr. Schmidgall stated his opinion that the board needs to reaffirm the direction it is going on a long-term plan for the high school. Mrs. Scarfe pointed out that over the past six months, the board has not been able to agree on a long-term plan and that is why the upcoming referendum will be for the urgent needs plan. Dr. Hall noted that this plan has been thoroughly vetted by the Board and it is the right plan for right now. Short term urgent needs should be the focus. Mr. Neeley expressed his concerns that needs at the Jr. High and High School are not being addressed in this plan. Dr. Beaty emphasized that the Board has to move forward with this plan and the referendum must be passed.


**Adjournment -**

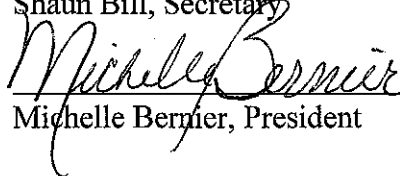
Motion by Mr. Schmidgall, second by Dr. Beaty, that the meeting be adjourned.

Voice Vote:            Yea 7                    Nay 0

Motion carried. The meeting adjourned at 6:30 p.m.

Respectfully submitted,

  
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Shaun Bill, Secretary

  
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Michelle Bernier, President